

State:	District of Columbia	Filing Company:	Atlantic Specialty Insurance Company
TOI/Sub-TOI:	H02G Group Health - Accident Only/H02G.000 Health - Accident Only		
Product Name:	National Independent Truckers and Contractors Association		
Project Name/Number:	/		

Rate Information

Rate data applies to filing.

Filing Method:	prior approval
Rate Change Type:	Neutral
Overall Percentage of Last Rate Revision:	0.000%
Effective Date of Last Rate Revision:	
Filing Method of Last Filing:	

Company Rate Information

Company Name:	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	# of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where req'd):	Minimum % Change (where req'd):
Atlantic Specialty Insurance Company	0.000%	0.000%	\$0	0	\$0	0.000%	0.000%

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Rate/Rule Schedule

Item No.	Schedule Item Status	Document Name	Affected Form Numbers (Separated with commas)	Rate Action	Rate Action Information	Attachments
1		Rate Manual	AH 400AC OA NITACA 04 13, et al.	New		Rate Manual - Version 50 DC.pdf,



**ATLANTIC SPECIALTY INSURANCE COMPANY
GROUP OCCUPATIONAL ACCIDENT RATE MANUAL**

FORM AH 400AC OA NITACA 04 13

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Section 1
Outline of Coverage, Limits, and Exclusions

The program will be offered on a contributory basis to independent contractors. The major benefits available are Accidental Death, Accidental Dismemberment, Temporary Total and Continuous Total Disability and Accident Medical Expense related to Covered Injuries.

LIMITATIONS

Combined Single Limit.

We will not pay more than the **Combined Single Limit** stated in the **Schedule**.

Aggregate Limit of Liability.

We will not pay more than the **Aggregate Limit of Liability** stated in the **Schedule**.

Incarceration Limitation.

Benefits being made to an **Insured Person** will cease while the **Insured Person** is incarcerated in a penal facility. The benefit will resume, as if the benefits had been paid, subject to all **Policy** conditions, when the **Insured Person** is released from such facility.]

Pre-Existing Condition.

Benefits under this **Policy** for an **Injury** due to a **Pre-Existing Condition** will be limited to the amount shown in the **Schedule**.]

GENERAL EXCLUSIONS

This **Policy** does not cover any losses caused in whole or in part by, or resulting in whole or in part from, the following:

- suicide or any attempt at suicide; intentionally self-inflicted **Injury** or any attempt at intentionally self-inflicted **Injury** [, including, but not limited to, any attempt to restrict the flow of oxygen to the brain for purposes of autoeroticism or auto-erotic asphyxiation] or any **Injury** resulting from a provoked attack;
- illness or disease [,regardless of how contracted,]; medical or surgical treatment of illness or disease; or complications following the surgical treatment of illness or disease; [except for **Accidental** ingestion of contaminated foods];
- any **Pre-Existing Condition** [until the **Insured Person** has been continuously covered under this **Policy** for [twelve (12)] consecutive months];
- **Cumulative Trauma** and/or **Repetitive Conditions**, unless as shown in the **Schedule**;
- **Occupational Disease**[, unless (and to the extent as) specifically provided by this **Policy**];
- Hernia of any kind, unless as shown in the **Schedule**;
- Hemorrhoids of any kind;
- performing, learning to perform or instructing others to perform as a crew member of any

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vessel while covered under the Jones Act or the United States Longshoremen and Harbor Workers' Act, or similar coverage;

- war, or any act of war, whether declared or undeclared [unless it occurs in the following geographic locations [named countries]only];
- involvement in any type of active military service [.] [(Reserve or National Guard active duty training is not excluded, unless it extends beyond [thirty-one (31) consecutive days].)] [(For purposes of this exclusion, orders to active military service for [sixty (60) days] or less will not be considered involvement in active military service.)][(This exclusion does not apply to the first [sixty (60) consecutive days] of active military service.)];
- any **Injury** for which the **Insured Person** is entitled to benefits pursuant to any Workers' Compensation Law or other similar legislation;
- any loss insured by employers' liability insurance;
- the **Insured Person** being intoxicated. The **Insured Person** is conclusively deemed to be intoxicated if the level of alcohol in his or her blood exceeds the amount at which a person is presumed, under the law of the locale in which the **Accident** occurred, to be under the influence of alcohol if operating a motor vehicle, regardless of whether he or she is in fact operating a motor vehicle, when the **Injury** occurs. An autopsy report from a licensed medical examiner, law enforcement officer reports, or similar items will be considered proof of the **Insured Person's** intoxication;

- [the deliberate ingestion of a [poison,] [fume,] [noxious chemical substance];][or][the use of a prescription drug unless taken as prescribed by a **Physician**];][or] [a non-prescription drug, unless taken in accordance with its directions]. [This exclusion shall not apply to the ingestion of alcohol.];]

[the use of a controlled substance as defined in Title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970 as amended and the regulations issued under its authority unless taken as prescribed by a **Physician** or for a non-prescription controlled substance unless taken in accordance with its directions;]

- participation in the commission or attempted commission of [a crime,] [any felony,] [an assault,] [insurrection] [or] [riot];
- travel or flight in or on (including getting in or out of, or on or off of) any vehicle used for aerial navigation, if the **Insured Person** is:
 - a. riding as a passenger in any aircraft not intended or licensed for the transportation of passengers;
 - b. performing, learning to perform or instructing others to perform as a pilot or crew member of any aircraft;
 - c. riding as a passenger in an aircraft owned, leased or operated by the **Policyholder** or the **Insured Person**; [or]

- participation in any of the following activities:

skydiving	hang gliding	parachuting	parasailing
automobile racing or stunts	bungee-jumping	scuba diving	
heli-skiing			
motorcycle racing or stunts	endurance tests	fire fighting	
racing			
acrobatic or stunt flying	extreme sport stunts	[hunting]	
flight on a rocket-propelled or rocket launched aircraft			
[or any other extra-hazardous activity]; or]			

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- [the use or release of [explosives, however delivered,] [nuclear energy,] [radiation,] [chemicals,] [biological agents or diseases,] [an organism or agent which disrupts the environmental or ecological balance of a geographic area] which results directly or indirectly from the intentional or unlawful act of a person or persons, including any resulting sickness or disease][.][; or]
- [a cardiovascular event or stroke caused by exertion prior to or at the same time as an **Accident**][.][; or]
- [alcoholism, drug addiction or the use of any drug or narcotic except as prescribed by a **Physician** operating within his or her scope of authority.]

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SECTION 2

Rating Worksheets

Table 1 - Policy Information

I. General information

Motor Carrier Name:
Street Address:
City, State Zip code
USDOT #
Policyholder Name
Contract Effective Date or Renewal Date
Class Code

Info Supplied by Company/Broker

II. Occupational Accident Coverage

Accidental Death Benefit
Principal Sum
Accident Commencement Period
Survivor's Benefit
Principal Sum
Payout Period
Accident Commencement Period
Accidental Dismemberment Benefit
Principal Sum
Accident Commencement Period
Paralysis Benefit
Principal Sum
Accident Commencement Period
Temporary Total Disability
Disability Commencement Period
Waiting Period
Average Weekly Benefit
Maximum Benefit Period
Continuous Total Disability
Waiting Period
Average Monthly Benefit
Maximum Benefit Period
Accident Medical Expense Benefit
Medical Commencement Period
Deductible Amount
Maximum Benefit Period
Dental Maximum
Maximum Benefit Amount per Accident
Lifetime Maximum Benefit
Limits on Physical, Occupational, Work Hardening Therapy
Limits on services provided by Chiropractor or Acupuncturist
Limits on Ambulance
Limits on Air Ambulance
Limits on Hernia Coverage
Limits on Mental and Nervous - Outpatient
Limits on Mental and Nervous - Inpatient
Limits on Occupational Cumulative Trauma
Occupational Accident Limits of Liability
Combined Single Limit
Aggregate Limit of Liability
Hernia Coverage
Occupational Cumulative Trauma
Pre-Existing Condition Limitation

Info Supplied by Company/Broker

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Table 1 - Policy Information (continued)

III. Non-Occupational Accident Coverage

Accidental Death Benefit

Principal Sum

Accident Commencement Period

Accidental Dismemberment Benefit

Principal Sum

Accident Commencement Period

Accident Medical Expense Benefit

Medical Commencement Period

Deductible Amount

Maximum Benefit Period

Dental Maximum

Maximum Benefit Amount per Accident

Lifetime Maximum Benefit

Limits on Physical, Occupational, Work Hardening Therapy

Limits on services provided by Chiropractor or Acupuncturist

Limits on Ambulance

Limits on Air Ambulance

Limits on Mental and Nervous - Outpatient

Limits on Mental and Nervous - Inpatient

Non-Occupational Accident Limits of Liability

Combined Single Limit

Aggregate Limit of Liability

Info Supplied by Company/Broker

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Table 2 - Development of Manual Loss Cost

	A Rates	B Adjustments	C Loss Cost
I. Occupational Accident Coverage			
Accidental Death Benefit	Table 7		S1=A*PRODUCT(B)
Principal Sum (\$000s)		Table 1	
Accident Commencement Period		Table 1,6	
Survivor's Benefit	Table 7		S2=A*PRODUCT(B)
Principal Sum (\$000s)		Table 1	
Payout Period		Tables 1, 17	
Accident Commencement Period		Table 1,6	
Accidental Dismemberment Benefit	Table 7		S3=A*PRODUCT(B)
Principal Sum (\$000s)		Table 1	
Accident Commencement Period		Table 1,6	
Paralysis Benefit	Table 7		S4=A*PRODUCT(B)
Principal Sum (\$000s)		Table 1	
Accident Commencement Period		Table 1,6	
Temporary Total Disability	Table 6		S5=A*PRODUCT(B)
Average Weekly Benefit		Table 1	
Disability Commencement Period		Tables 1,6	
Waiting Period		Tables 1,8	
Maximum Benefit Period		Tables 1,8	
Continuous Total Disability	Tables 1,9		S6=A*B
Average Monthly Benefit (\$00s)		Table 1	
Accident Medical Expense Benefit	Tables 1,6		S7=A*PRODUCT(B)
Medical Commencement Period		Tables 1,6	
Area Factor		Table 15	
Trend Factor		Table 16	
Dental Maximum		Tables 1,6	
Lifetime Maximum Benefit		Tables 1,18	
Limits on Physical, Occupational, Work Hardening Therapy		Tables 1,6	
Limits on services provided by Chiropractor or Acupuncturist		Tables 1,6	
Limits on Ambulance		Tables 1,6	
Limits on Air Ambulance		Tables 1,6	
Limits on Hernia Coverage		Tables 1,6	
Limits on Mental and Nervous - Outpatient		Tables 1,6	
Limits on Mental and Nervous - Inpatient		Tables 1,6	
Limits on Occupational Cumulative Trauma		Tables 1,6	
Deductible Amount		Tables 1,10	
Maximum Benefit Amount per Accident		Tables 1,10	
Maximum Benefit Period		Tables 1,11	

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Table 2 - Development of Manual Loss Cost (Continued)

Occupational Accident Limits of Liability

Hernia Coverage

Occupational Cumulative Trauma

Pre-Existing Condition Limitation

Combined Single Limit

Aggregate Limit of Liability

	Table 6	S8=PRODUCT(B)
	Table 6	
	Table 6	
	Table 12	
	Table 13	

Loss Cost - Occupational Accident Coverages

$$LC1=S8*(S1+S2+S3+S4+S5+S6+S7+S8)$$

II. Non-Occupational Accident Coverage

Accidental Death Benefit

Principal Sum (\$000s)

Accident Commencement Period

Table 6		S9=A*PRODUCT(B)
	Table 1	
	Table 1,6	

Accidental Dismemberment Benefit

Principal Sum (\$000s)

Accident Commencement Period

Table 6		S10=A*PRODUCT(B)
	Table 1	
	Table 1,6	

Accident Medical Expense Benefit

Medical Commencement Period

Area Factor

Trend Factor

Dental Maximum

Lifetime Maximum Benefit

Limits on Physical, Occupational, Work Hardening Therapy

Limits on services provided by Chiropractor or Acupuncturist

Limits on Ambulance

Limits on Air Ambulance

Limits on Mental and Nervous - Outpatient

Limits on Mental and Nervous - Inpatient

Deductible Amount

Maximum Benefit Amount per Accident

Maximum Benefit Period

Tables 1,6		S11=A*PRODUCT(B)
	Tables 1,6	
	Table 15	
	Table 16	
	Tables 1,6	
	Tables 1,18	
	Tables 1,6	
	Tables 1,6	
	Tables 1,6	
	Tables 1,6	
	Tables 1,6	
	Tables 1,14	
	Tables 1,14	
	Tables 1,11	

Non-Occupational Accident Limits of Liability

Combined Single Limit

Aggregate Limit of Liability

	Table 12	S12=PRODUCT(B)
	Table 13	

Loss Cost - Non Occupational Accident Coverage

$$LC2 = S12*(S9+S10+S11)$$

III. Total Loss Cost

Total Loss Cost

$$LC = LC1 + LC2$$

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Table 3 - Experience Modifier Calculation

	Year 1	Year 2	Year 3	Total
Total Incurred Claims	TC1	TC2	TC3	$TC=TC1+TC2+TC3$
Incurred Claims – TTD	ICD1	ICD2	ICD3	$ICD=ICD1+ICD2+ICD3$
Incurred Claims - Accident Medical (Occ)	ICO1	ICO2	ICO3	$ICO=ICO1+ICO2+ICO4$
Incurred Claims - Accident Medical (Non-Occ)	ICN1	ICN2	ICN3	$ICN=ICN1+ICN2+ICN5$
Completion Factor	C1	C2	C3	
Experience Period Midpoint	E1	E2	E3	
Rate Midpoint	R	R	R	
				=Number of months between experience midpoint and rate midpoint
Trend Months	T1	T2	T3	
Trend Factor	$TF=1.08^{T1}$	$TF=1.08^{T2}$	$TF=1.08^{T3}$	
Benefit Adjustment Factor - TTD	BT1	BT2	BT3	
Benefit Adjustment Factor - Accident Medical (Occ)	BO1	BO2	BO3	
Benefit Adjustment Factor - Accident Medical (Non-Occ)	BN1	BN2	BN3	
	$TTC1=(ICD1*BT1+ (ICO1*BO1+ICN1*BN1)*TF1)*C1$	$TTC2=(ICD2*BT2+ (ICO2*BO2+ICN2*BN2)*TF2)*C2$	$TTC3=(ICD3*BT3+ (ICO3*BO3+ICN3*BN3)*TF3)*C3$	$TTC=TTC1+TTC2+TTC3$
Total Trended Adjusted Incurred Claims				
Average Covered Lives	L1	L2	L3	$L=L1+L2+L3$
Total Months Under policy	M1	M2	M3	
Experience Claims / Life	$EC1=TTC1/L1$	$EC2=TTC2/L2$	$EC3=TTC3/L3$	$EC=TTC/L$
Experience Monthly Claims / Life	$=EC1/M1$	$=EC2/M2$	$=EC3/M3$	$EMC=TTC/(L1*M1+L2*M2+L3*M3)$
Manual Claims / Life				MLC=See Table 2
A/E ratio				$A/E=EMC/MLC$
Credibility Factor				CF=See Table 4
Experience Modifier				$EM=(1-CF)+CF*A/E$

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Table 3.01

Paid to Incurred Completion Factors

Months from start of Policy Year	Factor	Months from start of Policy Year	Factor
7	8.174	28	1.110
8	5.500	29	1.105
9	4.500	30	1.100
10	4.000	31	1.095
11	3.500	32	1.090
12	2.700	33	1.085
13	2.300	34	1.080
14	2.000	35	1.075
15	1.700	36	1.070
16	1.640	37	1.065
17	1.580	38	1.060
18	1.480	39	1.055
19	1.410	40	1.050
20	1.370	41	1.045
21	1.300	42	1.040
22	1.240	43	1.035
23	1.200	44	1.030
24	1.150	45	1.025
25	1.140	46	1.020
26	1.130	47	1.015
27	1.120	48	1.000

Table 4
Credibility Factors

Total Life Years Exposure	Factor
50-99	10%
100-199	20%
200-336	30%
337-514	40%
515-732	50%
733-989	60%
990-1286	70%
1287-1623	80%
1624-1999	90%
2000+	100%

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Table 5 - Underwriting Factors		
	Credit	Debit
<i>I. Vehicle Type</i>	15%	30%
<i>II. Manual Labor (other than operating vehicle)</i>	0%	15%
<i>III. Geographical Scope</i>		
Regional	10%	
National	0%	
<i>IV. Safety Program</i>		
No safety program or inadequate safety program		15%
Some safety program	0%	
Stable safety program in place	5%	
<i>V. Pre-Employment Screening Practices</i>		
Comprehensive check of past safety and violations record	15%	
Some check of past safety and violations record	0%	
Minimal checks performed		10%
<i>VI. DOT Rating</i>		
Unsatisfactory rating	Decline	
Conditional Rating		10%
Satisfactory rating	0%	
<i>VII. Total number of policies from One Beacon (including this policy)</i>		
3 or more policies	10%	
2 policies	5%	
1 policy	0%	
<i>VIII. Total Premium Volume</i>		
\$25,000 or less	0%	
\$25,000	3%	
\$500,000 or more	10%	
<i>IX. Expected Participation Rates</i>		
Less than 20%	0%	
20-49%	2%	
50%+	5%	
<i>X. Amount of Underwriting information</i>		
Vehicle information, safety history, Location, Total Premium volume, Persistency, Loss Experience, Travel data, Census Data, Estimated Participation Rate		
Almost all information requested available	5%	
Some information requested available		0%
Low amount of information requested is unavailable		5%
<i>XI. Persistency</i>		
1 policy within last 5 years	2%	
2 different policies within last 5 years		1.5%
3 or more different policies within last 5 years		5%
No previous policies	0%	
<i>XII. Type of previous experience from the Producer</i>		
Loss Ratio of less than 10% below desired loss ratio	2%	
Loss Ratio of more than 15% above desired loss ratio		5%
<i>XIII. Claims Pattern</i>		
Loss Ratio for all years under review is with in 10% of the average	3%	
Loss Ratio for at least one year under review is outside 15% of the average	0%	
Loss Ratio for at least one year under review is outside 30% of the average		5%
<i>XIV. Census variation</i>		
No more than 5% average annual variation in the last 5 years	3%	
More than 20% average annual variation in the last 5 years		5%
For all other values, interpolate above values		
<i>XV. Factors</i>	=product of (1 - the credit)	=product of (1 + the debit)

Table 6 - Coverage and Benefit Factors

Benefit	Factor
Accident Commencement Period - 90 days	100.00%
Accident Commencement Period - 120 days	101.04%
Accident Commencement Period - 180 days	102.08%
Accident Commencement Period - 365 days	104.17%
Disability Commencement Period - 30 days	100.00%
Disability Commencement Period - 60 days	110.00%
Disability Commencement Period - 90 days	120.00%
Medical Commencement Period - 7 days	80.00%
Medical Commencement Period - 14 days	85.00%
Medical Commencement Period - 30 days	90.00%
Medical Commencement Period - 60 days	95.00%
Medical Commencement Period - 90 days	100.00%
Medical Commencement Period - 6 months	105.00%
Limits on Physical, Occupational, Work Hardening Therapy - Same as AME	112.36%
Limits on Physical, Occupational, Work Hardening Therapy - >=50% AME Limit	106.74%
Limits on Physical, Occupational, Work Hardening Therapy - <50% AME Limit	100.00%
Limits on services provided by Chiropractor or Acupuncturist - Same as AME	117.65%
Limits on services provided by Chiropractor or Acupuncturist - >=50% AME Limit	108.24%
Limits on services provided by Chiropractor or Acupuncturist - <50% AME Limit	100.00%
Limits on Ambulance - Same as AME	120.48%
Limits on Ambulance - >=50% AME Limit	108.43%
Limits on Ambulance - <50% AME Limit	100.00%
Limits on Air Ambulance - Same as AME	112.36%
Limits on Air Ambulance - >=50% AME Limit	106.74%
Limits on Air Ambulance - <50% AME Limit	100.00%
Limits on Hernia Coverage (Limit for AME coverage) - Same as AME	117.65%
Limits on Hernia Coverage (Limit for AME coverage) - >=50% AME Limit	108.24%
Limits on Hernia Coverage (Limit for AME coverage) - <50% AME Limit	100.00%
Hernia Coverage (Limit for all coverages) - Up to the Limit	121.95%
Hernia Coverage (Limit for all coverages) - >=50% of the Limit	109.76%
Hernia Coverage (Limit for all coverages) - <50% of the Limit	100.00%
Limits on Mental and Nervous - Outpatient - Same as AME	117.65%
Limits on Mental and Nervous - Outpatient - >=50% AME Limit	108.24%
Limits on Mental and Nervous - Outpatient - <50% AME Limit	100.00%
Limits on Mental and Nervous - Inpatient - Same as AME	112.36%
Limits on Mental and Nervous - Inpatient - >=50% AME Limit	106.74%
Limits on Mental and Nervous - Inpatient - <50% AME Limit	100.00%
Limits on Occupational Cumulative Trauma (Limit for AME coverage) - Same as AME	111.11%
Limits on Occupational Cumulative Trauma (Limit for AME coverage) - >=50% AME Limit	106.67%
Limits on Occupational Cumulative Trauma (Limit for AME coverage) - <50% AME Limit	100.00%
Occupational Cumulative Trauma (Limit for all coverages) - Same as AME	117.65%
Occupational Cumulative Trauma (Limit for all coverages) - >=50% AME Limit	108.24%
Occupational Cumulative Trauma (Limit for all coverages) - <50% AME Limit	100.00%
Pre-Existing Condition Limitation - Same as AME	110.53%
Pre-Existing Condition Limitation - >=50% AME Limit	107.37%
Pre-Existing Condition Limitation - <50% AME Limit	105.26%
Pre-Existing Condition Limitation - Not covered	100.00%
Dental Maximum - Same as AME Limit	153.85%
Dental Maximum - >=50% AME Limit	130.77%
Dental Maximum - <50% AME Limit	100.00%

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Table 6.01 - Coverage and Benefit Rates

Benefit	Factor	Notes
Non-Occupational Accidental Death	\$0.0264	per \$1,000 of principal sum
Non-Occupational Survivor's Benefit	\$0.0222	per \$1,000 of principal sum
Non-Occupational Dismemberment Benefit	\$0.0032	per \$1,000 of principal sum
Non-Occupational Accident Medical Expense (1)	\$13.8954	
Occupational Accident Medical Expense (1)	\$46.2740	
Total Temporary Disability (1)	\$11.8565	per \$100 weekly benefit

(1) For Courier coverage, multiply by .65

Table 7 - Net Claims Cost per Month per \$1,000 (Occupational Accident)

Industry	Accidental Death	Survivor Death	Accidental Dismemberment	Paralysis Benefit
Agriculture	0.0174	0.0146	0.0021	0.00055
Mining, Quarrying	0.0186	0.0156	0.0022	0.00059
Construction	0.0095	0.0080	0.0011	0.00030
Manufacturing	0.0023	0.0019	0.0003	0.00007
Transportation and Utilities	0.0083	0.0070	0.0010	0.00026
Trade	0.0011	0.0009	0.0001	0.00003
Services	0.0009	0.0008	0.0001	0.00003
Government	0.0017	0.0014	0.0002	0.00005

Table 8 - TTD Plan Adjustment Factors

Maximum Benefit Period

Elimination Period (weeks)	13 Weeks	26 Weeks	39 Weeks	52 Weeks	104 Weeks
0	59.04%	74.82%	82.45%	90.08%	100.00%
1	45.88%	59.93%	66.94%	73.95%	91.78%
2	34.58%	46.59%	52.80%	59.00%	74.98%
3	29.17%	39.65%	45.24%	50.83%	65.41%
4	23.76%	32.71%	37.69%	42.66%	55.84%
5	21.29%	29.39%	34.09%	38.79%	51.43%
6	20.01%	27.51%	32.07%	36.63%	49.08%
7	18.73%	25.63%	30.05%	34.48%	46.74%
8	17.44%	23.75%	28.04%	32.32%	44.39%
9	16.03%	21.65%	25.68%	29.71%	41.25%
10	14.44%	19.23%	22.87%	26.51%	37.04%
11	12.86%	16.82%	20.06%	23.30%	32.83%
12	11.27%	14.41%	17.25%	20.09%	28.63%
13	9.91%	12.35%	14.85%	17.34%	25.02%

Table 9 - Continuous Total Disability

Net Claims Cost per \$100 Monthly Benefit

Waiting Period (weeks)

Benefit Period	52	104
5 Years	\$0.076	\$0.060
10 Years	\$0.106	\$0.090
To age 65	\$0.150	\$0.120
To age 70	\$0.165	\$0.135
To age 75	\$0.173	\$0.142

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Table 10 - Medical Deductible and Maximum Benefit Factors

Limit	...Deductible...					
	\$0	\$25	\$50	\$75	\$100	\$125
\$100,000	0.8036	0.7915	0.7811	0.7666	0.7538	0.7529
\$125,000	0.8125	0.8004	0.7897	0.7751	0.7621	0.7613
\$150,000	0.8304	0.8179	0.8071	0.7921	0.7788	0.7780
\$175,000	0.8393	0.8267	0.8158	0.8007	0.7872	0.7864
\$200,000	0.8571	0.8443	0.8331	0.8177	0.8040	0.8031
\$225,000	0.8750	0.8619	0.8505	0.8347	0.8207	0.8199
\$250,000	0.8929	0.8795	0.8679	0.8518	0.8375	0.8366
\$275,000	0.9196	0.9059	0.8939	0.8773	0.8626	0.8617
\$300,000	0.9375	0.9235	0.9113	0.8944	0.8794	0.8785
\$325,000	0.9420	0.9279	0.9156	0.8987	0.8836	0.8826
\$350,000	0.9464	0.9322	0.9199	0.9029	0.8878	0.8868
\$375,000	0.9509	0.9366	0.9243	0.9071	0.8920	0.8910
\$400,000	0.9554	0.9411	0.9286	0.9114	0.8962	0.8952
\$425,000	0.9589	0.9446	0.9321	0.9148	0.8995	0.8985
\$450,000	0.9616	0.9471	0.9346	0.9174	0.9020	0.9010
\$475,000	0.9643	0.9498	0.9373	0.9199	0.9045	0.9036
\$500,000	0.9688	0.9542	0.9416	0.9242	0.9087	0.9077
\$1,000,000	1.0000	0.9850	0.9720	0.9540	0.9380	0.9370

Limit	...Deductible...					
	\$150	\$175	\$200	\$225	\$250	\$500
\$100,000	0.7521	0.7513	0.7505	0.7497	0.7493	0.7488
\$125,000	0.7605	0.7597	0.7588	0.7580	0.7576	0.7571
\$150,000	0.7772	0.7764	0.7755	0.7747	0.7742	0.7738
\$175,000	0.7855	0.7847	0.7839	0.7830	0.7826	0.7821
\$200,000	0.8023	0.8014	0.8005	0.7997	0.7992	0.7987
\$225,000	0.8190	0.8181	0.8172	0.8163	0.8159	0.8154
\$250,000	0.8357	0.8348	0.8339	0.8330	0.8325	0.8320
\$275,000	0.8608	0.8599	0.8589	0.8580	0.8575	0.8570
\$300,000	0.8775	0.8766	0.8756	0.8747	0.8741	0.8736
\$325,000	0.8817	0.8807	0.8798	0.8788	0.8783	0.8777
\$350,000	0.8859	0.8849	0.8839	0.8830	0.8824	0.8819
\$375,000	0.8900	0.8891	0.8881	0.8871	0.8866	0.8861
\$400,000	0.8942	0.8933	0.8923	0.8913	0.8908	0.8902
\$425,000	0.8976	0.8966	0.8956	0.8946	0.8941	0.8936
\$450,000	0.9001	0.8991	0.8981	0.8971	0.8966	0.8960
\$475,000	0.9026	0.9016	0.9006	0.8996	0.8991	0.8985
\$500,000	0.9068	0.9058	0.9048	0.9038	0.9033	0.9027
\$1,000,000	0.9360	0.9350	0.9340	0.9330	0.9324	0.9318

Table 11 - Medical Maximum Benefit Period

AME Incurral Periods	AME Factor
26	0.750
52	0.900
104	1.100
156	1.170

Atlantic Specialty Insurance Company

Table 12 - Combined Single Limit Worksheet

A. Occupational Accidents

I. Calculate maximum benefit payable from Disability benefits

- | | |
|---|---|
| 1 Maximum Temporary Total Disability Benefit | Total weeks x Weekly Benefit |
| 2 Maximum Continuous Total Disability Benefit | Total weeks x Weekly Benefit, max 260 weeks |
| 3 Greater of 1 or 2 | |

II. Calculate maximum benefit payable from Medical benefit

- | | |
|---------------------------|----------------------|
| 4 maximum Medical Benefit | See Plan of Benefits |
|---------------------------|----------------------|

III. Calculated maximum benefit payable from other benefits

- | | |
|---------------------------------|----------------------|
| 5 Maximum Accidental Death | See Plan of Benefits |
| 6 Maximum Survivor Benefit | See Plan of Benefits |
| 7 Maximum Dismemberment Benefit | See Plan of Benefits |
| 8 Maximum Paralysis Benefit | See Plan of Benefits |
| 9 Greater of 5, 6, 7, 8 | |

IV. Total

- | | |
|--------------------------|----------------------|
| 10 Sum = 3+4+9 | |
| 11 Combined Single Limit | See Plan of Benefits |
| 12 Ratio = 11/10 | |
| 13 Adjustment Factor | See Chart below |

B. Non-Occupational Accidents

- | | |
|------------------------------------|----------------------|
| 1 Maximum AD&D Benefit | See Plan of Benefits |
| 2 Maximum Accident Medical Benefit | See Plan of Benefits |
| 3 Sum = 1+2 | |
| 4 Combined Single Limit | See Plan of Benefits |
| 5 Ratio = 4/3 | |
| 6 Adjustment Factor | See Chart below |

**Combined Single Limit
Adjustment Factor**

	Ratio	Factor
> 0% and <= 50%	0.81	
> 50% and <= 60%	0.86	
> 60% and <= 70%	0.90	
> 70% and <= 80%	0.94	
> 80% and <= 90%	0.97	
> 90% and <= 100%	0.99	
> 100%	1.00	

Table 13 - Aggregate Limit of Liability

Multiple of Combined Single Limit (CSL)	Factor
1x	88.8%
2x	96.5%
3x	98.9%
4x	99.5%
5x	99.6%
10x	99.9%

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Table 14 – Accident Medical Expense Adjustment Factors

Deductible	Limits					
	1,000	2,500	5,000	10,000	25,000	30,000
0	50.07%	67.50%	80.47%	91.86%	97.14%	98.10%
25	46.21%	63.37%	76.25%	87.56%	92.83%	93.80%
50	42.63%	59.52%	72.31%	83.55%	88.81%	89.70%
100	36.76%	53.14%	65.75%	76.84%	82.08%	83.00%
250	27.19%	42.20%	54.30%	64.97%	70.13%	71.00%
500	19.84%	32.95%	44.28%	54.27%	59.33%	60.20%
1,000	13.24%	23.67%	33.66%	42.43%	47.28%	48.10%
2,500	6.24%	12.96%	19.97%	25.77%	30.15%	30.90%

Deductible	Limits					
	40,000	50,000	100,000	250,000	500,000	1,000,000
0	99.00%	99.98%	101.30%	102.60%	103.90%	105.30%
25	94.70%	95.67%	96.90%	98.20%	99.50%	100.80%
50	90.70%	91.63%	92.80%	94.00%	95.20%	96.40%
100	83.90%	84.89%	86.00%	87.10%	88.20%	89.30%
250	72.00%	72.92%	73.90%	74.90%	75.90%	76.90%
500	61.10%	62.06%	62.90%	63.70%	64.50%	65.30%
1,000	49.00%	49.92%	50.60%	51.30%	52.00%	52.70%
2,500	31.70%	32.50%	32.90%	33.30%	33.70%	34.10%

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Table 15 - Medical Area Factors

<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>	<i>F</i>
<i>State</i>	<i>Lives</i>	<i>Factor</i>	<i>State</i>	<i>Lives</i>	<i>Factor</i>
COUNTRYWIDE		1.00	MONTANA		0.74
ALABAMA		0.85	NEBRASKA		0.80
ALASKA		1.11	NEVADA		1.08
ARIZONA		0.99	NEW_HAMPSHIRE		0.78
ARKANSAS		0.75	NEW_JERSEY		0.95
CALIFORNIA		1.36	NEW_MEXICO		0.81
COLORADO		0.89	NEW_YORK		1.03
CONNECTICUT		0.93	NORTH_CAROLINA		0.79
DELAWARE		0.89	NORTH_DAKOTA		0.71
DIST_OF_COL		1.06	OHIO		0.83
FLORIDA		1.22	OKLAHOMA		0.75
GEORGIA		0.89	OREGON		0.83
IDAHO		0.74	PENNSYLVANIA		1.11
ILLINOIS		1.00	RHODE_ISLAND		0.78
INDIANA		0.79	SOUTH_CAROLINA		0.83
IOWA		0.76	SOUTH_DAKOTA		0.70
KANSAS		0.79	TENNESSEE		0.85
KENTUCKY		0.81	TEXAS		0.98
LOUISIANA		0.90	UTAH		0.76
MAINE		0.78	VERMONT		0.72
MARYLAND		0.80	VIRGINIA		0.82
MASSACHUSETTS		0.86	WASHINGTON		0.83
MICHIGAN		0.84	WEST_VIRGINIA		0.75
MINNESOTA		0.83	WISCONSIN		0.83
MISSISSIPPI		0.71	WYOMING		0.73
MISSOURI		0.85	HAWAII		0.91
			PUERTO RICO		1.00

Notes:

Area Factor is weighted average of state area factors, weighting is number of lives
round result to 3 places

If state specific data not available, use Countrywide factor

Table 16 - Medical Trend Calculation

Date for Base Rates		1/1/2008
Proposed Effective Date	ED	
Rate Guaranteed Period		
(Months)	M	
Annual Trend Factor	T	
Effective Period Midpoint	PM	
	TM=difference in month between BD and	
Trend Months	PM	
Trend Factor	$(1+T)^{TM}$	

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Table 17 - Survivor Benefit Payout Factors

Paid in equal installments
over Months:

	Factor
1	1.1924
3	1.1880
6	1.1815
12	1.1687
24	1.1435
25	1.1415
36	1.1191
48	1.0953
50	1.0914
60	1.0723
100	1.0000

Table 18

Medical Lifetime Maximum

Lifetime
Max as %

Per Accident Max	Factor
100%	98%
200%	99%
300%	100%
500%	101%
1000%	102%

Table 19

Calculation of Gross Premium

Manual Loss Cost	LC	Table 2
Experience Modifier Factor	EMF	Table 3
Underwriting Adjustment	UA	Table 5
Target Loss Ratio	TLR	Table 1
Monthly Gross Premium	GP	$=LC*EMF*UA/TLR$
Gross Premium may be rounded up or down as much as \$.50 but not more than 1% of Gross Premium		

Atlantic Specialty Insurance Company

SECTION 3 Rating Examples

Table 1a - Example of Table 1

I. General information

Motor Carrier Name:	ABC company
Street Address:	
City, State Zip code	
USDOT #	
Policyholder Name	
Contract Effective Date or Renewal Date	July-08
Class Code / Industry Sector	Transportation

II. Occupational Accident Coverage

Accidental Death Benefit	
Principal Sum	\$50,000
Accident Commencement Period	365 days
Survivor's Benefit	
Principal Sum	\$250,000
Payout Period	100 months
Accident Commencement Period	365 days
Accidental Dismemberment Benefit	
Principal Sum	\$300,000
Accident Commencement Period	365 days
Paralysis Benefit	
Principal Sum	\$300,000
Accident Commencement Period	365 days
Temporary Total Disability	
Disability Commencement Period	90 days
Waiting Period	7 weeks
Average Weekly Benefit	\$500
Maximum Benefit Period	104 weeks
Continuous Total Disability	
Waiting Period	104 weeks
Average Monthly Benefit	\$2,165
Maximum Benefit Period	to age 65
Accident Medical Expense Benefit	
Medical Commencement Period	90 days
Deductible Amount	\$0
Maximum Benefit Period	104 weeks
Dental Maximum	\$1,000 per accident
Maximum Benefit Amount per Accident	\$1,000,000
Lifetime Maximum Benefit	\$1,000,000
Limits on Physical, Occupational, Work Hardening Therapy	\$1,000 per injury
Limits on services provided by Chiropractor or Acupuncturist	\$1,000 per injury
Limits on Ambulance	\$1,000 per accident
Limits on Air Ambulance	\$7,000 per accident
Limits on Hernia Coverage	\$10,000 lifetime max
Limits on Mental and Nervous - Outpatient	\$25 per visit, up to 20 visits per accident
Limits on Mental and Nervous - Inpatient	maximum 20 days, \$1,000 per accident
Limits on Occupational Cumulative Trauma	\$10,000 lifetime max

Atlantic Specialty Insurance Company

Table 1a - Example of Table 1 (Cont.)

Occupational Accident Limits of Liability	
Combined Single Limit	\$1,000,000
Aggregate Limit of Liability	\$2,000,000
Hernia Coverage	\$15,000 lifetime max
Occupational Cumulative Trauma	\$15,000 lifetime max
Pre-Existing Condition Limitation	\$10,000
 <i>III. Non-Occupational Accident Coverage</i>	
Accidental Death Benefit	
Principal Sum	\$7,500
Accident Commencement Period	365 days
Accidental Dismemberment Benefit	
Principal Sum	\$7,500
Accident Commencement Period	365 days
Accident Medical Expense Benefit	
Medical Commencement Period	90 days
Deductible Amount	\$0
Maximum Benefit Period	52 weeks
Dental Maximum	\$1,000 per accident
Maximum Benefit Amount per Accident	\$5,000
Lifetime Maximum Benefit	\$10,000
Limits on Physical, Occupational, Work Hardening Therapy	\$1,000 per injury
Limits on services provided by Chiropractor or Acupuncturist	\$1,000 per injury
Limits on Ambulance	\$1,000 per accident
Limits on Air Ambulance	\$5,000 per accident
Limits on Mental and Nervous - Outpatient	\$25 per visit, up to 20 visits per accident
Limits on Mental and Nervous - Inpatient	maximum 20 days, \$1,000 per accident
Non-Occupational Accident Limits of Liability	
Combined Single Limit	\$7,500
Aggregate Limit of Liability	\$15,000

Atlantic Specialty Insurance Company

Table 2a - Example of Development of Manual Loss Cost

	<i>A</i> <i>Rates</i>	<i>B</i> <i>Adjustments</i>	<i>C</i> <i>Loss Cost</i>
<i>I. Occupational Accident Coverage</i>			
Accidental Death Benefit	0.0083		0.4323
Principal Sum (\$000s)		50.0000	
Accident Commencement Period		104.17%	
Survivor's Benefit	0.0070		1.8229
Principal Sum (\$000s)		250.0000	
Payout Period		100.00%	
Accident Commencement Period		104.17%	
Accidental Dismemberment Benefit	0.0010		0.3125
Principal Sum (\$000s)		300.0000	
Accident Commencement Period		104.17%	
Paralysis Benefit	0.0003		0.0813
Principal Sum (\$000s)		300.0000	
Accident Commencement Period		104.17%	
Temporary Total Disability	11.8565		33.2471
Average Weekly Benefit (\$00s)		5.0000	
Disability Commencement Period		120.00%	
Waiting Period			
Maximum Benefit Period		46.74%	
Continuous Total Disability	0.1200		2.6004
Average Monthly Benefit (\$00s)		21.6700	
Accident Medical Expense Benefit	46.2740		59.2614
Medical Commencement Period		100.00%	
Area Factor		1.1000	
Trend Factor		108.00%	
Dental Maximum		100.00%	
Lifetime Maximum Benefit		98.00%	
Limits on Physical, Occupational, Work Hardening Therapy		100.00%	
Limits on services provided by Chiropractor or Acupuncturist		100.00%	
Limits on Ambulance		100.00%	
Limits on Air Ambulance		100.00%	
Limits on Hernia Coverage		100.00%	
Limits on Mental and Nervous - Outpatient		100.00%	
Limits on Mental and Nervous - Inpatient		100.00%	
Limits on Occupational Cumulative Trauma		100.00%	
Deductible Amount		100.00%	
Maximum Benefit Amount per Accident			
Maximum Benefit Period		110.00%	

Atlantic Specialty Insurance Company

Table 2a - Example of Development of Manual Loss Cost (Cont.)

Occupational Accident Limits of Liability

Hernia Coverage	100.00%	0.9143
Occupational Cumulative Trauma	100.00%	
Pre-Existing Condition Limitation	105.26%	
Combined Single Limit	90.00%	
Aggregate Limit of Liability	96.51%	

Loss Cost - Occupational Accident Coverages LC1 = 89.3801

II. Non-Occupational Accident Coverage

Accidental Death Benefit

Principal Sum (\$000s)	0.0264	0.2064
Accident Commencement Period	7.5000	
	104.17%	

Accidental Dismemberment Benefit

Principal Sum (\$000s)	0.0032	0.0248
Accident Commencement Period	7.5000	
	104.17%	

Accident Medical Expense Benefit

Medical Commencement Period	13.8954	13.2984
Area Factor	100.00%	
Trend Factor	1.1000	
Dental Maximum	108.00%	
Lifetime Maximum Benefit	100.00%	
Limits on Physical, Occupational, Work Hardening Therapy	99.00%	
Limits on services provided by Chiropractor or Acupuncturist	100.00%	
Limits on Ambulance	100.00%	
Limits on Air Ambulance	112.36%	
Limits on Mental and Nervous - Outpatient	100.00%	
Limits on Mental and Nervous - Inpatient	100.00%	
Deductible Amount	80.47%	
Maximum Benefit Amount per Accident	90.00%	
Maximum Benefit Period		

Non-Occupational Accident Limits of Liability

Combined Single Limit	86.00%	83.00%
Aggregate Limit of Liability	96.51%	

Loss Cost - Non Occupational Accident Coverage LC2 = 11.229568

III. Total Loss Cost

Total Loss Cost LC = 100.6097

Atlantic Specialty Insurance Company

Table 3a - Experience Modifier Calculation

	Year 1	Year 2	Year 3	Total
Total Incurred Claims	245,000	254,000	285,000	784,000
Incurred Claims – TTD	115,000	122,000	115,000	352,000
Incurred Claims - Accident Medical (Occ)	55,000	52,000	60,000	167,000
Incurred Claims - Accident Medical (Non-Occ)	45,000	55,000	60,000	160,000
Completion Factor	1.08	1.24	4.00	
Experience Period Midpoint	06/30/04	06/30/05	06/30/06	
Rate Midpoint	01/01/09	01/01/09	01/01/09	
Trend Months	54.00	42.00	30.00	
Trend Factor	179%	157%	138%	
Benefit Adjustment Factor - TTD	1.00	1.00	1.00	
Benefit Adjustment Factor - Accident Medical (Occ)	1.00	1.00	1.00	
Benefit Adjustment Factor - Accident Medical (Non-Occ)	1.00	1.00	1.00	
Total Trended Adjusted Incurred Claims	317,110	359,601	1,122,496	1,799,207
Average Covered Lives	475	530	600	1,605
Experience Months	12	12	10	
Experience Claims / Life	668	678	1,871	1,121
Experience Monthly Claims / Life	55.63	56.54	187.08	99.62
Manual Claims / Life				100.61
A/E ratio				99%
Credibility Factor				80%
Experience Modifier				99.22%

Atlantic Specialty Insurance Company

Table 5 - Underwriting Factors		
	Credit	Debit
<i>I. Vehicle Type</i>	10%	
<i>II. Manual Labor (other than operating vehicle)</i>		5%
<i>III. Geographical Scope</i>	0%	
<i>IV. Safety Program</i>	5%	
<i>V. Pre-Employment Screening Practices</i>	15%	
<i>VI. DOT Rating</i>	0%	
<i>VII. Total number of policies from One Beacon (including this policy)</i>	0%	
<i>VIII. Total Premium Volume</i>	0%	
<i>IX. Expected Participation Rates</i>	5%	
<i>X. Amount of Underwriting information</i>		5%
<i>XI. Persistency</i>		1.5%
<i>XII. Type of previous experience from the Producer</i>	0%	
<i>XIII. Claims Pattern</i>	0%	
<i>XIV. Census variation</i>		2%
<i>XV. Factors</i>	69%	114%
<i>XVI. Final factor</i>	78.8%	

Atlantic Specialty Insurance Company

Table 12a - Example of Combined Single Limit Worksheet

A. Occupational Accidents

I. Calculate maximum benefit payable from Disability benefits

1	Maximum Temporary Total Disability Benefit	52,000
2	Maximum Continuous Total Disability Benefit	130,000
3	Greater of 1 or 2	130,000

II. Calculate maximum benefit payable from Medical benefit

4	maximum Medical Benefit	1,000,000
---	-------------------------	-----------

III. Calculated maximum benefit payable from other benefits

5	Maximum Accidental Death	50,000
6	Maximum Survivor Benefit	250,000
7	Maximum Dismemberment Benefit	300,000
8	Maximum Paralysis Benefit	300,000
9	Greater of 5, 6, 7, 8	300,000

IV. Total

10	Sum = 3+4+9	1,430,000
11	Combined Single Limit	1,000,000
12	Ratio = 11/10	69.9%
13	Adjustment Factor	90%

B. Non-Occupational Accidents

1	Maximum AD&D Benefit	7,500
2	Maximum Accident Medical Benefit	5,000
3	Sum = 1+2	12,500
4	Combined Single Limit	7,500
5	Ratio = 4/3	60%
6	Adjustment Factor	86%

Atlantic Specialty Insurance Company

Table 15a - Example of Medical Area Factors

<i>A</i>	<i>B</i>	<i>C</i>	<i>D</i>	<i>E</i>	<i>F</i>
<i>State</i>	<i>Lives</i>	<i>Factor</i>	<i>State</i>	<i>Lives</i>	<i>Factor</i>
COUNTRYWIDE		1.00	MONTANA		0.74
ALABAMA		0.85	NEBRASKA		0.80
ALASKA		1.11	NEVADA		1.08
ARIZONA		0.99	NEW_HAMPSHIRE		0.78
ARKANSAS		0.75	NEW_JERSEY		0.95
CALIFORNIA	30	1.36	NEW_MEXICO		0.81
COLORADO		0.89	NEW_YORK	40	1.03
CONNECTICUT		0.93	NORTH_CAROLINA		0.79
DELAWARE		0.89	NORTH_DAKOTA		0.71
DIST_OF_COL		1.06	OHIO		0.83
FLORIDA		1.22	OKLAHOMA		0.75
GEORGIA	25	0.89	OREGON		0.83
IDAHO		0.74	PENNSYLVANIA	50	1.11
ILLINOIS		1.00	RHODE_ISLAND		0.78
INDIANA		0.79	SOUTH_CAROLINA		0.83
IOWA		0.76	SOUTH_DAKOTA		0.70
KANSAS		0.79	TENNESSEE		0.85
KENTUCKY		0.81	TEXAS		0.98
LOUISIANA		0.90	UTAH		0.76
MAINE		0.78	VERMONT		0.72
MARYLAND		0.80	VIRGINIA		0.82
MASSACHUSETTS		0.86	WASHINGTON		0.83
MICHIGAN		0.84	WEST_VIRGINIA		0.75
MINNESOTA		0.83	WISCONSIN		0.83
MISSISSIPPI		0.71	WYOMING		0.73
MISSOURI		0.85	HAWAII		0.91
			PUERTO RICO		1.00

Step 1 = $30*1.36+25*.89+40*1.03+50*1.11 = 159.57$

Step 2 = $30+25+40+50 = 145$

Step 3 = 1.100

Atlantic Specialty Insurance Company

Table 16a - Medical Trend Calculation

Date for Base Rates	01/01/08
Proposed Effective Date	07/01/08
Rate Guaranteed Period (Months)	12
Annual Trend Factor	8.00%
Effective Period Midpoint	01/01/09
Trend Months	12

Trend Factor **108.00%**

Table 19a
Calculation of Gross Premium

Manual Loss Cost	\$100.61	Table 2
Experience Modifier Factor	99.22%	Table 3
Underwriting Adjustment	78.80%	Table 5
Target Loss Ratio	50.00%	Table 1
Monthly Gross Premium	\$157.50	=LC*EMF*UA/TLR
Gross Premium may be rounded up or down as much as \$.50 but not more than 1% of Gross Premium		

Section 4
Coverages and Benefits

ACCIDENTAL DEATH BENEFIT

If a **Covered Injury** to an **Insured Person** results in death within the **Accident Commencement Period** shown in the **Schedule**, **We** will pay the **Principal Sum** shown in the **Schedule**. The **Accident Commencement Period** starts on the date of the **Accident** that caused such **Injury**. If the **Insured Person** suffers an **Accidental** Death such that an **Accidental** Death Benefit is payable under this **Policy**, **We** will pay the beneficiary in accordance with the Payment of Claims provision.

Survivor's Benefit

The Monthly Benefit Amount will be as described in the **Schedule**. The Monthly Benefit Amount will be paid to the surviving **Spouse** up to the **Principal Sum** shown in the **Schedule**.

If the **Insured Person** is not survived by a **Spouse**, or if the **Insured Person's Spouse** dies or remarries, **We** will pay or continue to pay the Survivor's Benefit to the **Insured Person's** surviving **Dependent Child(ren)**, if any. If there is more than one surviving **Dependent Child**, the Survivor's Benefit will be distributed equally among the surviving **Dependent Children**. The payment of the monthly Survivor's Benefit will end on the earliest of the following dates:

1. the date the **Spouse** dies or remarries, if there are no **Dependent Child(ren)**;
2. the date the last **Dependent Child** dies or is no longer eligible as defined in the GENERAL DEFINITIONS Section of this **Policy**; or
3. the date the **Principal Sum** has been paid.

If the **Insured Person** is not survived by a **Spouse** or any **Dependent Child(ren)**, **We** will pay only the **Accidental** Death Benefit in accordance with the Payment of Claims provision of this **Policy**. **We** will not pay a Survivor's Benefit.

Exposure and Disappearance

If an **Insured Person** is exposed to weather because of an **Accident** and this results in a **Covered Loss**, **We** will pay the applicable **Principal Sum**, subject to all **Policy** terms.

If the body of an **Insured Person** has not been found within 365 days after the disappearance, stranding, sinking or wrecking of a [power unit] in which that person was an occupant, then it will be presumed, subject to all other terms and provisions of this **Policy**, that the **Insured Person** has suffered **Accidental** Death within the meaning of this **Policy**. If the **Insured Person** is subsequently found alive and identified, **We** have the right to recover any benefits paid.

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ACCIDENTAL DISMEMBERMENT BENEFIT

If **Injury** to an **Insured Person** results in any one of the **Covered Losses** specified below, within the **Accident Commencement Period** shown in the **Schedule**, **We** will pay the Percentage of the **Principal Sum** indicated below.

<u>For Covered Loss of:</u>	<u>Percentage of the Principal Sum</u>
Both Hands or Both Feet	[100%]
Sight of Both Eyes	[100%]
One Hand and One Foot.....	[100%]
One Hand and the Sight of One Eye	[100%]
One Foot and the Sight of One Eye.....	[100%]
One Hand or One Foot.....	[50%]
Sight of One Eye	[50%]
Thumb and Index Finger of Same Hand	[25%]

For purposes of the **Accidental** Dismemberment Benefit, **Loss** will mean:

Loss of a hand or foot means complete severance through or above the wrist or ankle joint. **Loss** of sight of an eye means total and irrecoverable loss of the entire sight in that eye. **Loss** of thumb and index finger means complete severance through or above the metacarpophalangeal joint of both digits.

If more than one **Loss** is sustained by an **Insured Person** as a result of the same **Covered Accident**, only one amount, the largest, will be paid.

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PARALYSIS BENEFIT (does not apply to a **Non-Occupational Accident**)

If a **Covered Injury** to an **Insured Person** results in any Type of Paralysis specified below, within the **Accident Commencement Period** shown in the **Schedule**, **We** will pay the Percentage of the **Principal Sum** indicated below.

<u>Type of Paralysis:</u>	<u>Percentage of the Principal Sum</u>
Quadriplegia	[100%]
Paraplegia	[75%]
Hemiplegia	[50%]
Uniplegia	[25%]

Quadriplegia means the complete and irreversible paralysis of both upper and both lower **Limbs**. **Paraplegia** means the complete and irreversible paralysis of both lower **Limbs**. **Hemiplegia** means the complete and irreversible paralysis of the upper and lower **Limbs** of the same side of the body. **Uniplegia** means the complete and irreversible paralysis of one **Limb**. For purposes of this benefit **Limb** means entire arm or entire leg.

If the **Insured Person** sustains more than one Type of Paralysis as a result of the same **Covered Accident**, only the largest single amount will be considered a **Covered Loss**.

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TEMPORARY TOTAL DISABILITY (TTD) BENEFIT (does not apply to a **Non-Occupational Accident**)

TTD Benefit Qualifications.

If a **Covered Injury** to an **Insured Person** results in **Temporary Total Disability** within the **Disability Commencement Period** shown in the **Schedule**, **We** will pay the **Temporary Total Disability** Benefit specified below, subject to satisfaction of any applicable **Waiting Period** shown in the **Schedule**. The **Disability Commencement Period** starts on the date of the **Accident** that caused such **Injury**. After the **Waiting Period** has been satisfied, the **Temporary Total Disability** Benefit will be payable from the day the **Waiting Period** was satisfied.

TTD Benefit Amount.

The **Temporary Total Disability** Benefit with respect to each week of an **Insured Person's Temporary Total Disability** during a **Single Period of Total Disability** is equal to the lesser of:

1. the Benefit Percentage (as shown in the **Schedule**) of the **Insured Person's Average Weekly Earnings**; or
2. the **Maximum Weekly Benefit Amount** shown in the **Schedule**.

In no event will the **Weekly Benefit Amount** be less than the **Minimum Weekly Benefit Amount** as shown in the **Schedule**.

The **Temporary Total Disability** Benefit with respect to less than a full **Benefit Week of Temporary Total Disability** equals 1/7th of the **Weekly Benefit Amount** for each day of **Temporary Total Disability**.

TTD Benefit Calculation.

For the purposes of this **Temporary Total Disability** Benefit, **Average Weekly Earnings** will be calculated as follows:

- For Class I [**Owner-Operators**]:
[[Thirty-three percent (33%)] of the gross income the **Insured Person** received in the prior year as shown in his or her federal income tax return with schedules or 1099s, divided by 52, regardless of his or her prior occupation. If the **Insured Person** worked less than [fifty (50)] weeks during the prior year, then [thirty-three percent (33%)] of the gross income received in the prior year as shown in his or her federal income tax return with schedules or 1099s, divided by the number of weeks worked, regardless of his or her prior occupation. The **Insured Person** will have to produce proof, which is satisfactory to **Us**, of the number of weeks worked, if he or she is claiming less than [fifty (50)] weeks.]
- [For Class II] [**Contract Drivers**]:
[[Seventy-five percent (75%)] of the gross income the **Insured Person** received in the prior year as shown in his or her federal income tax return with schedules or 1099s or similar wage reporting documents divided by 52 regardless of his or her prior occupation. If the **Insured Person** worked less than [fifty (50)] weeks

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during the prior year, then [seventy-five percent (75%)] of the gross income received in the prior year as shown in his or her federal income tax return with schedules or 1099s or similar wage reporting documents divided by the number of weeks worked, regardless of his or her prior occupation. The **Insured Person** will have to produce proof, which is satisfactory to **Us**, of the number of weeks worked if he or she is claiming less than [fifty (50)] weeks.]

If the **Insured Person** did not file a federal income tax return or receive 1099s or similar wage reporting documents for the prior year but has worked as [an **Owner-Operator**] or [**Contract Driver**] for at least twenty-six (26) weeks in the current year, **We** will divide the gross income earned in the current year by the number of weeks worked in the current year. The **Insured Person** will have to produce proof, which is satisfactory to **Us**, of his or her gross income and the number of weeks worked.

If the **Insured Person** did not file a federal income tax return or receive 1099s or similar wage reporting documents for the prior year and has not worked as [an **Owner-Operator**] or [**Contract Driver**] for at least twenty-six (26) weeks in the current year, **We** will award the **Insured Person** the **Minimum Weekly Benefit Amount** as shown in the **Schedule**.

TTD Benefit Offsets.

Subject to the **Minimum Weekly Benefit Amount**, the **Total Disability Benefit** will be reduced by: (1) Social Security Disability Benefits, excluding any amounts for which the **Insured Person's Dependents** may qualify because of the **Insured Person's** Disability; (2) Social Security Retirement Benefits; (3) Individual or Group Disability Benefits; (4) the amount of any disability income benefits from any automobile or no-fault policy or insurance; (5) the amount the **Insured Person** receives as compensation for lost wages or lost income in a lawsuit or the settlement of a lawsuit; and (6) any income from employment or services, or from leasing the **Insured Person's** power unit. The **Insured Person** must provide tax schedules and returns to **Us** for the purpose of calculating this offset.

TTD Benefit Termination.

The **Temporary Total Disability** Benefit will cease on the earliest of the following dates:

1. the date the **Insured Person** is no longer **Temporarily Totally Disabled**;
2. the date the **Maximum Benefit Period** shown in the **Schedule** has been reached;
3. the date on which the **Temporary Total Disability** is not substantiated by objective medical evidence satisfactory to **Us**; or
4. the date the **Insured Person** dies.

TTD Benefit Definitions.

As used in this **Temporary Total Disability** Benefit:

Benefit Week means a 7-day period of time that begins on the first day of **Temporary Total Disability** after the **Waiting Period** shown in the **Schedule** for **Temporary Total Disability**, and on the same day of each week thereafter.

Continuous Care means monthly monitoring and/or evaluation of the disabling condition by a **Physician**. **We** must receive proof of continuing **Temporary Total Disability** on a monthly basis.

Disability Commencement Period means the time period, shown in the **Schedule**, between the date of the **Accident** that caused the **Injury** and the date that **Temporary**

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Total Disability must begin for disability benefits to be payable under this **Policy**.

Maximum Benefit Period means, with respect to **Temporary Total Disability**, the maximum period for which benefits will be payable for a **Temporary Total Disability Covered Loss** during a **Single Period of Total Disability**. The **Maximum Benefit Period** begins after the **Waiting Period**, as indicated in the **Schedule**, has been satisfied. The length of the **Maximum Benefit Period** for **Temporary Total Disability** is shown in the **Schedule**.

Single Period of Total Disability means all periods of **Temporary Total Disability** due to the same or related causes (whether or not insurance has been interrupted) except any of the following which are considered separate periods of disability: (1) successive periods of **Temporary Total Disability** due to entirely different and unrelated causes, separated by at least one full day during which the **Insured Person** is not **Temporarily Totally Disabled**; (2) successive periods of **Temporary Total Disability** due to the same or related causes, separated by at least 6 months during which the **Insured Person** is not **Temporarily Totally Disabled**.

Temporary Total Disability or **Temporarily Totally Disabled** means disability that: (1) prevents an **Insured Person** from performing the **Material and Substantial Duties** of his or her occupation [as a commercial truck driver]; (2) requires the care and treatment of a **Physician**; and (3) requires that, and results in, the **Insured Person** receiving **Continuous Care**. If the **Insured Person** does not adhere to the treatment plan the **Physician** prescribes relating to his or her disabling condition, the **Insured Person** will not qualify for the **Temporary Total Disability** Benefit.

[For purposes of this section "**Material and Substantial Duties**" will mean a duty or duties which the **Insured Person** is required to perform as an [Owner-Operator] [or] [Contract Driver].]

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CONTINUOUS TOTAL DISABILITY (CTD) BENEFIT (does not apply to a **Non-Occupational Accident**)

CTD Benefit Qualifications.

If a **Covered Injury** to an **Insured Person** resulting in **Temporary Total Disability**, subsequently results in **Continuous Total Disability**, We will pay the **Continuous Total Disability** Benefit specified below, provided:

1. the benefits payable for the **Temporary Total Disability Covered Loss** ceased solely because the **Maximum Benefit Period** shown in the **Schedule** for **Temporary Total Disability** has been reached, but the **Insured Person** remains disabled;
2. the **Insured Person** is under the normal Social Security retirement age, as determined by federal law, on the day after the **Maximum Benefit Period** shown in the **Schedule** for **Temporary Total Disability** has been reached;
3. the **Insured Person** has been granted a Social Security Disability Award for his or her disability (If the **Insured Person** cannot meet the credit requirement for a Social Security Award, he or she cannot qualify for the **Continuous Total Disability** Benefit even if he or she would otherwise qualify);
4. the **Insured Person's** disability is reasonably expected to continue without interruption until the **Insured Person** dies, and is substantiated by objective medical evidence satisfactory to **Us**;
5. the **Injury** began within the **Disability Commencement Period** shown in the **Schedule**; and
6. [the **Temporary Total Disability** was not principally due to a **Mental and Nervous or Depressive Condition**. (If the **Temporary Total Disability** was principally due to a **Mental and Nervous or Depressive Condition**, the **Insured Person** does not qualify for a **Continuous Total Disability** Benefit.)]

An **Insured Person** cannot qualify for a **Continuous Total Disability** Benefit unless the **Insured Person** qualified for a **Temporary Total Disability** Benefit for the same **Covered Injury**.

Sunset Period: If the **Insured Person** is not granted a Social Security Award for his or her disability within two (2) years of the **Injury**, the **Insured Person** cannot qualify for a **Continuous Total Disability** Benefit even if he or she would otherwise qualify.

CTD Benefit Amount.

The **Weekly Benefit Amount** will be the lesser of the benefit percentage, as shown in the **Schedule**, of the **Average Weekly Earnings**, or the **Maximum Weekly Benefit Amount** as shown in the **Schedule**. In no event will the **Weekly Benefit Amount** be less than the **Minimum Weekly Benefit Amount** as shown in the **Schedule**.

The **Continuous Total Disability** Benefit with respect to less than a full **Benefit Week** of **Continuous Total Disability** equals 1/7th of the **Weekly Benefit** for each day of **Continuous Total Disability**.

CTD Benefit Calculation.

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For purposes of this **Continuous Total Disability Benefit**, **Average Weekly Earnings** will be calculated as follows:

- For Class I [**Owner-Operators**]:

[[Thirty-three percent (33%)] of the gross income the **Insured Person** received in the prior year as shown in his or her federal income tax return with schedules or 1099s, divided by 52, regardless of his or her prior occupation. If the **Insured Person** worked less than [fifty (50)] weeks during the prior year, then [thirty-three percent (33%)] of the gross income received in the prior year as shown in his or her federal income tax return with schedules or 1099s, divided by the number of weeks worked, regardless of his or her prior occupation. The **Insured Person** will have to produce proof, which is satisfactory to **Us**, of the number of weeks worked if he or she is claiming less than [fifty (50) weeks].]

- [For Class II] [**Contract Drivers**]:

[[Seventy-five percent (75%)] of the gross income the **Insured Person** received in the prior year as shown in his or her federal income tax return with schedules or 1099s or similar wage reporting documents divided by 52 regardless of his or her prior occupation. If the **Insured Person** worked less than [fifty (50)] weeks during the prior year, then [seventy-five percent (75%)] of the gross income received in the prior year as shown in his or her federal income tax return with schedules or 1099s or similar wage reporting documents divided by the number of weeks worked, regardless of his or her prior occupation. The **Insured Person** will have to produce proof, which is satisfactory to **Us**, of the number of weeks worked, if he or she is claiming less than [fifty (50) weeks].]

If the **Insured Person** did not file a federal income tax return or receive 1099s or similar wage reporting documents for the prior year but has worked as [an **Owner-Operator**] or [**Contract Driver**] for at least twenty-six (26) weeks in the current year, **We** will divide the gross income earned in the current year by the number of weeks worked in the current year. The **Insured Person** will have to produce proof, which is satisfactory to **Us**, of his or her gross income and the number of weeks worked.

If the **Insured Person** did not file a federal income tax return or receive 1099s or similar wage reporting documents for the prior year and has not worked as [an **Owner-Operator**] or [**Contract Driver**] for at least twenty-six (26) weeks in the current year, **We** will award the **Insured Person** the **Minimum Weekly Benefit Amount** as shown in the **Schedule**.

CTD Benefit Offsets.

Subject to the **Minimum Weekly Benefit Amount**, the **Total Disability Benefit** will be reduced by: (1) Social Security Disability Benefits, excluding any amounts for which the **Insured Person's Dependents** may qualify because of the **Insured Person's Disability**; (2) Social Security Retirement Benefits; (3) Individual or Group Disability Benefits; (4) the amount of any disability income benefits from any automobile or no-fault policy or insurance; (5) the amount the **Insured Person** receives as compensation for lost wages or lost income in a lawsuit or the settlement of a lawsuit; and (6) any income from employment or services, or from leasing the **Insured Person's** power unit. The **Insured Person** must provide tax schedules and returns to **Us** for the purpose of calculating this offset.

CTD Benefit Termination.

The **Continuous Total Disability Benefit** will cease on the earliest of the following dates:

1. the date the **Insured Person** is no longer **Continuously Totally Disabled**;

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2. the date the **Insured Person's** Social Security Disability Award ceases;
3. the date the **Insured Person** attains age [70];
4. the date the **Maximum Benefit Period** shown in the **Schedule** for **Continuous Total Disability** has been reached;
5. the date the **Maximum Benefit Amount** shown in the **Schedule** for **Continuous Total Disability** has been reached;
6. the date on which **Continuous Total Disability** is not substantiated by objective medical evidence satisfactory to **Us**; or
7. the date the **Insured Person** dies.

CTD Benefit Definitions.

As used in this **Continuous Total Disability** Benefit:

Benefit Week means a 7-day period of time that begins on the day after the **Maximum Benefit Period** for **Temporary Total Disability** has been reached, and on the same day of each week thereafter.

Continuous Care means at least quarterly monitoring and/or evaluation of the disabling condition by a **Physician**. **We** must receive proof of continuing **Continuous Total Disability** on a quarterly basis. These requirements may be waived by **Us**.

Continuous Total Disability or **Continuously Totally Disabled** means disability that: (1) prevents an **Insured Person** from performing the duties of any occupation for which he or she is qualified by reason of education, training or experience; (2) requires the care and treatment of a **Physician**; and (3) requires that, and results in, the **Insured Person** receiving **Continuous Care**. If the **Insured Person** does not adhere to the treatment plan the **Physician** prescribes relating to his or her disabling condition, the **Insured Person** will not qualify for a **Continuous Total Disability** Benefit.

If the **Insured Person** can perform an occupation which would provide an annual gross income equal to or greater than either the gross income from wages and/or the net income reported on Schedule C which the **Insured Person** filed on his or her most recent federal income tax return filed prior to the **Covered Injury**, the **Insured Person** is not **Continuously Totally Disabled**. The **Insured Person** must provide **Us** with such federal income tax return in order to qualify for a **Continuous Total Disability** Benefit.

Maximum Benefit Amount means, with respect to **Continuous Total Disability**, the maximum benefits payable for **Continuous Total Disability Covered Losses**.

Maximum Benefit Period means, with respect to **Continuous Total Disability**, the maximum period for which benefits will be payable for a **Continuous Total Disability Covered Loss**. The **Maximum Benefit Period** begins after the **Waiting Period**, as indicated in the **Schedule**, has been satisfied. The length of the **Maximum Benefit Period** for **Continuous Total Disability** is shown in the **Schedule**. Benefits payable under the **Temporary Total Disability** Benefit will not be considered **Continuous Total Disability** Benefits for purposes of applying the **Maximum Benefit Period**.

Terms used in this **Continuous Total Disability** Benefit, but which refer to **Temporary Total Disability** and are defined in the **Temporary Total Disability** Benefit, are to be interpreted as defined in that Benefit.

ACCIDENT MEDICAL EXPENSE (AME) BENEFIT

AME Benefit Qualifications.

If an **Insured Person** suffers an **Injury** that requires him or her to be treated by a **Physician**, within the **Medical Commencement Period** shown in the **Schedule**, **We** will pay the **Usual and Customary Charges** incurred for **Medically Necessary Covered Accident Medical Services** received due to that **Injury**, up to the **Maximum Benefit Amount** and **Maximum Benefit Period** shown in the **Schedule**, per **Insured Person**, for all **Injuries** caused by a single **Covered Accident**, subject to any applicable **Deductible Amount**.

The **Medical Commencement Period** starts on the date of the **Accident** that caused such **Injury**. The **Deductible Amount** for the **Accident Medical Expense** Benefit is the **Deductible Amount** shown in the **Schedule**, if any, which must be met from **Usual and Customary Charges** for **Medically Necessary Covered Accident Medical Services** incurred due to **Injuries** sustained by the **Insured Person** in that **Covered Accident**. [If the **Injury** is related to a **Pre-Existing Condition**, the **Accident Medical Expense** Benefit will be subject to the limit as shown in the **Schedule**.]

AME Benefit Covered Accident Medical Services.

1. **Hospital** semi-private room and board (or room and board in an intensive care unit), **Hospital** ancillary services (including but not limited to, use of the operating room or emergency room), or use of an **Ambulatory Medical Center**;
2. Services of a **Physician** or a qualified nurse, if under the supervision of a Graduate Registered Nurse (RN), for **Home Health Care** which follows a [five (5)] day period of **Hospital** confinement and which is prescribed by a **Physician**;
3. Services by a qualified **Physician** for the treatment of a covered **Mental and Nervous Condition** due to a **Covered Injury**. However, such charges will be considered a **Covered Accident Medical Expense** only to the extent that the charges do not exceed [\$25.00] per visit and are further limited to one visit per day with a maximum of [twenty (20)] visits. **Hospital** charges for in-patient treatment of a **Mental and Nervous Condition**, whether in a psychiatric **Hospital** or a general **Hospital**, will be considered a **Covered Accident Medical Expense** and will be limited to up to a [twenty (20)] day inpatient maximum;
4. Ambulance, including air ambulance, service to or from a **Hospital** for [one] round trip;
5. Laboratory tests;
6. Radiological procedures;
7. Anesthetics and the administration of anesthetics;
8. Blood, blood products and artificial blood products, and the transfusion thereof;
9. Physical Therapy, Occupational Therapy, Work Hardening Therapy and Chiropractic or Acupuncturist Care as shown in the **Schedule**;
10. Rental of **Durable Medical Equipment**, up to the actual purchase price of such equipment;
11. The initial supply, but not replacement of: casts, splints, trusses, braces, artificial limbs and artificial eyes subject to the **Accident Medical Expense** Benefit Exclusions

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section;

12. Medicines or drugs administered by a **Physician** or that can be obtained only with a **Physician's** written prescription;
13. Repair or replacement of **Sound Natural Teeth** damaged or lost as a result of a **Covered Injury**, up to the Dental Maximum, if any, shown in the **Schedule**.
14. **Extended Care Facilities**; or
15. **Home Health Care**.

The foregoing **Covered Accident Medical Services** are subject to all of the limits as shown in the **Schedule**.

AME Benefit Exclusions.

In addition to the GENERAL EXCLUSIONS in SECTION VI of this **Policy**, charges for **Covered Accident Medical Services** do not include, and benefits are not payable with respect to, any expense for or resulting from:

- repair or replacement of existing artificial limbs, artificial eyes or other prosthetic appliances or repair of existing **Durable Medical Equipment** unless for the purpose of modifying the item because **Injury** has caused further impairment in the underlying bodily condition;
- dentures, bridges, dental implants, or treatment not related to the **Injury**;
- eye glasses or contact lenses;
- hearing aids or hearing examinations;
- that portion of rental expense for **Durable Medical Equipment** that exceeds the usual purchase cost for similar equipment in the locality where the expense is incurred;
- **Custodial Services**;
- **Personal Comfort or Convenience Items**;
- services of a Federal, Veteran's, State or Municipal **Hospital** for which an **Insured Person** is not liable for payment;
- services or treatment which is covered by Medicare;
- that portion of the fee for services or treatment which is more than the **Usual and Customary Charge**;
- cosmetic, plastic or restorative surgery unless **Medically Necessary** for the treatment of an **Injury**;
- services or treatment which are provided for in a settlement or court judgment;
- services or treatment which are covered under any other insurance of any kind;
- services or treatment for which an **Insured Person** is not legally obligated to pay;
- an **Extended Care Facility** stay that does not follow a **Hospital** confinement of [five (5)] days or more;
- any mileage charges related to the **Covered Injury** unless authorized by **Us**;
- any translation charges related to the **Covered Injury** unless authorized by **Us**; or
- any lodging charges related to the **Covered Injury** unless authorized by **Us**.

AME Benefit Definitions.

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As used in this **Accident Medical Expense** Benefit:

Ambulatory Medical Center means a facility that meets all of the following requirements:

1. operates under the laws of the state that it is situated in;
2. has a staff of **Physicians** and permanent facilities that are equipped and operated primarily for the purpose of providing medical services or performing subject procedures; and
3. provides continuous **Physician** and Graduate Registered Nurse (RN) services whenever a patient is in the facility. An **Ambulatory Medical Center** does not include a **Hospital** or a **Physician's** office or a clinic.

Custodial Services means any services which are not intended primarily to treat a specific **Injury**. **Custodial Services** include, but will not be limited to, services: (1) related to watching or protecting the **Insured Person**; (2) related to performing or assisting the **Insured Person** in performing any activities of daily living, such as: (a) walking; (b) grooming; (c) bathing; (d) dressing; (e) getting in or out of bed; (f) toileting; (g) eating; (h) preparing foods; or (i) taking medications that can usually be self-administered; and (3) that are not required to be performed by trained or skilled medical or paramedical personnel.

Durable Medical Equipment refers to equipment of a type that is designed primarily for use, and used primarily by people who are injured (for example, a wheelchair or a **Hospital** bed). It does not include items commonly used by people who are not injured, even if the items can be used in the treatment of **Injury** or can be used for rehabilitation or improvement of health (for example, a stationary bicycle or a spa).

Extended Care Facility means an institution that meets all of the following requirements:

1. operates under the laws of the state that it is situated in;
2. is approved by the Department of Health and Human Services or its successor;
3. is regularly engaged in providing skilled nursing care of sick or injured persons as inpatients at the patient's expense;
4. provides 24 hour a day nursing service by or under the supervision of a Graduate Registered Nurse (RN);
5. provides skilled nursing care under the supervision of a **Physician**; and
6. maintains a daily medical record of each patient.

Home Health Care means nursing care and treatment of an **Insured Person** in his or her home as part of an overall extended treatment plan. To qualify, the extended treatment plan must:

1. be approved in writing by the attending **Physician**;
2. be provided by a **Hospital** certified to provide **Home Health** services or by a certified **Home Health Care** agency;
3. begin within [seven (7)] days after discharge from a **Hospital**; and
4. follow a **Hospital** confinement of [five (5)] days or more.

No benefits are payable for **Home Health Care** services provided by:

1. a member of an **Insured Person's** immediate family; or

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2. a person residing in the **Insured Person's** home.

Hospital means a facility that: (1) operates under the law of the state that it is situated in; (2) is approved by the Department of Health and Human Services or its successor; (3) has organized facilities for diagnosis and surgery on its premises or in facilities available to it on a prearranged basis; (4) has 24-hour nursing service by graduate registered nurses (RN), on duty or on call; and (5) is supervised by one or more **Physicians**. A **Hospital** does not include: (1) a nursing, convalescent or geriatric unit of a **Hospital** when a patient is confined mainly to receive nursing care; (2) a facility that is, other than incidentally, a rest home, nursing home, convalescent home or home for the aged; nor does it include any ward, room, wing or other section of the **Hospital** that is used for such purposes; or (3) any military or veterans **Hospital** or soldiers home or any **Hospital** contracted for or operated by any national government or government agency for the treatment of members or ex-members of the armed forces.

Maximum Benefit Period means, with respect to the **Accident Medical Expense Benefit**, the maximum period for which benefits will be payable for **Covered Accident Medical Services** for or in connection with a single **Accident Medical Expense Covered Loss**. The length of the **Maximum Benefit Period** for **Accident Medical Expense** is shown in the **Schedule**.

Medical Commencement Period means the time period shown in the **Schedule** between the date of the **Accident** that caused the **Injury** and the date that the first medical service or treatment must be incurred for **Accident Medical Expense Benefits** to be payable under this **Policy**.

Medically Necessary means that a **Covered Accident Medical Service**: (1) is essential for diagnosis, treatment or care of the **Injury** for which it is prescribed or performed; (2) meets generally accepted standards of medical practice; and (3) is ordered by a **Physician** and performed under his or her care supervision or order.

Personal Comfort or Convenience Item(s) means those items that are not **Medically Necessary** for the care and treatment of the **Insured Person's Injury**. The term **Personal Comfort or Convenience Item(s)** includes, but is not limited to: (1) a private **Hospital** room, unless **Medically Necessary**; (2) television rental; and (3) **Hospital** telephone charges.

Sound Natural Teeth means natural teeth that are either unaltered or fully restored to their normal function and are disease free, have no decay, and are not more susceptible to **Injury** than unaltered natural teeth.

Usual and Customary Charge(s) means a charge that is made for a **Covered Accident Medical Expense Benefit** that: (1) does not include charges that would not have been made if no insurance existed; (2) is the lesser of the usual charges for similar services, treatment, supplies, or **Hospital** room and board in the locality where the expense is incurred, or the negotiated rate of the **Preferred Provider** designated by **Us**. For a **Hospital** stay, the **Usual and Customary Charge** is based upon the expense for a semi-private room and board charge, unless the stay is a **Medically Necessary** stay in an intensive care unit; and (3) with respect to drugs, is the negotiated rate of the **Preferred Provider** designated by **Us**, if applicable, or [[125%] of the Average Wholesale Price

Atlantic Specialty Insurance Company

(AWP), if applicable] [[125%] of the generic drug price, if available] [[125%] of the Average Sales Price (ASP), if applicable].

State:	District of Columbia	Filing Company:	Atlantic Specialty Insurance Company
TOI/Sub-TOI:	H02G Group Health - Accident Only/H02G.000 Health - Accident Only		
Product Name:	National Independent Truckers and Contractors Association		
Project Name/Number:	/		

Supporting Document Schedules

Satisfied - Item:	Cover Letter All Filings
Comments:	
Attachment(s):	AS DC Cover Letter.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Certificate of Authority to File
Comments:	
Attachment(s):	Revised authorization 9-5-12.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum
Comments:	
Attachment(s):	Act Memo Occ Accident - Version 50 DC.pdf
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Justification
Comments:	Acknowledged-please see attached actuarial support.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Loss Ratio Analysis (P&C)
Bypass Reason:	Not applicable
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	District of Columbia and Countrywide Experience for the Last 5 Years (P&C)
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State:	District of Columbia	Filing Company:	Atlantic Specialty Insurance Company
TOI/Sub-TOI:	H02G Group Health - Accident Only/H02G.000 Health - Accident Only		
Product Name:	National Independent Truckers and Contractors Association		
Project Name/Number:	/		

Bypass Reason:	Not applicable
Attachment(s):	
Item Status:	
Status Date:	

Satisfied - Item:	Actuarial Memorandum and Certifications
Comments:	Please see attached actuarial materials.
Attachment(s):	
Item Status:	
Status Date:	

Bypassed - Item:	Unified Rate Review Template
Bypass Reason:	Not applicable to this filing
Attachment(s):	
Item Status:	
Status Date:	



Dana Suter
Senior Compliance Consultant

379 Princeton-Hightstown Rd.
Cranbury, NJ 08512
Phone: 609-443-7540
Fax: 609-443-4103

April 30, 2013

TO: DC Department of Insurance

RE: Serff tracking number: CLTR-129006257
Company tracking number: AH 400AC OA NITACA 04 13 RATE

To whom it may concern,

On behalf of Atlantic Specialty Insurance Company, Coulter and Associates is filing the attached occupational accident rates.

The forms have been filed under serff tracking number CLTR-128988302.

If you have any questions, please call me at (609) 443-7540 or email me at dana@coulter-and-associates.com. Otherwise we look forward to your approval.

Very truly yours,

Dana Suter
Senior Compliance Consultant



DATE: September 5, 2012
TO: State Insurance Departments
FROM: Keith Firestone
RE: Filing Authority for Coulter & Associates, Inc.

I, Keith Firestone, an officer of Atlantic Specialty Insurance Company, have authorized Coulter & Associates, Inc., acting as our Contracts Consultants, to file products and correspond with your Department on our behalf.

This authorization is effective until August 31, 2013.

Officer Signature: *Keith Firestone*

Title: *Assistant Secretary*

**Atlantic Specialty Insurance Company
Actuarial Memorandum
Group Occupational Accident Policy
Form AH 400AC OA NITACA 04 13 et al.**

Item 1. Scope & Purpose

This is a new filing for Atlantic Specialty Insurance Company.

Item 2. Benefit Description

The program will be offered on a contributory basis to independent contractors. The major benefits available are Accidental Death, Accidental Dismemberment, Temporary Total and Continuous Total Disability and Accident Medical Expense related to Covered Injuries.

Item 3. Renewability

The policy contains the following termination language:

This Policy will terminate at 12:01 A.M. Standard Time at the Policyholder's address on the earliest of:

1. The premium due date if premiums are not paid when due subject to the Grace Period;
2. the date specified in the written notice of Our intent to terminate this Policy, which will be at least [thirty (30)] days after the date We send such notice to the Policyholder's last known recorded address; or
3. The date specified in the written notice of the Policyholder's intent to terminate this Policy, which will be at least [thirty (30)] days after the date the Policyholder sends such notice to Us.

If We terminate this Policy, any unearned premium will be returned on a pro-rata basis. If the Policyholder requests termination, We will return any unearned premium paid on a pro-rata basis.

Termination will not affect any claim for a Covered Loss occurring prior to the effective date of termination.

Item 4. Applicability

This filing applies to all new issues. There are no existing insureds under this form.

Atlantic Specialty Insurance Company
Actuarial Memorandum
Group Occupational Accident Policy
Form AH 400AC OA NITACA 04 13 et al.

Item 5. Morbidity

The following sources of morbidity experience were used:

- "Injury Facts", Editions 2003, 2004, 2005-2006, published by the National Safety Council
- The SOA 1985-1989 Group Life Study
- "Statistical Abstract of the United States, 2000 Edition"
- "National Transportation Statistics, 2001", published by the Bureau of Transportation Statistics
- "Vital Statistics of the United States, 1992, Volume II, Part A", published by the National Center for Health Statistics
- National Institute for Occupational Safety and Health Database, maintained by the Center for Disease Control
- National Council on Compensation Insurance (NCCI), unpublished data on loss data for Class Cods 7219, Independent Truckers

As an example of the derivation of manual claims costs, Table 1 shows the derivation of Manual Claims Cost for the Accidental Death Benefit.

Derivation of Accidental Death Benefit Claims Cost			
<i>Industry</i>	<i>Deaths per 100,000</i>		
	Deaths per 100,000	Net Claims Cost per Month per \$1,000	For 100 Payments
Agriculture	20.9	0.0174	0.0146
Mining, Quarrying	22.3	0.0186	0.0156
Construction	11.4	0.0095	0.0080
Manufacturing	2.8	0.0023	0.0019
Transportation and Utilities	10.0	0.0083	0.0070
Trade	1.3	0.0011	0.0009
Services	1.1	0.0009	0.0008
Government	2.0	0.0017	0.0014
Source: Accident Factors, 2004 Edition, page 48			

Atlantic Specialty Insurance Company
Actuarial Memorandum
Group Occupational Accident Policy
Form AH 400AC OA NITACA 04 13 et al.

Item 6. Mortality

Mortality is based on US population mortality.

Item 7. Persistency

Lapses are expected to average 19% per year.

Item 8. Expenses and Commissions

Expenses and claims assumptions are expressed as a percentage of total premiums as follows:

Table 2 - Expense Breakdown as % Premium	
Claims	50.0%
Loss Adjustment Expense	1.5%
Premium Tax	2.5%
Reinsurance Expense	4.0%
Other Underwriting Expenses	18.0%
Acquisition and Producer Compensation	18.0%
Profit and Contingencies	6.0%
Total	100.0%

Item 9. Marketing

The program may be marketed by brokers, consultants and third party administrators.

Item 10. Pre-Existing Condition Limitations and Underwriting

Benefits under the Policy for an Injury due to a Pre-Existing Condition will be limited to the amount shown in the Schedule.

Item 11. Premium Classes

Premiums are calculated on a group-by-group basis using underwriting information particular to the group and using the formulas shown in the rate manual. Within each group premiums vary by the amount of coverage provided.

**Atlantic Specialty Insurance Company
Actuarial Memorandum
Group Occupational Accident Policy
Form AH 400AC OA NITACA 04 13 et al.**

Item 12. Issue Age Limits and Coverage Duration

Coverage is available to persons meeting the Eligibility requirements as shown in Section I of the policy.

Item 13. Area Factors

The Area Factor applies to the Accident Medical benefit and reflects the cost of providing care in different states.

Item 14. Average Annual Premium

The average annual premium is expected to be \$1,680 per certificate.

Item 15. Premium Modalization Rules

The premiums in the rate manual are monthly premiums.

Item 16. Claim Liability and Reserves

Claim Reserves and Liabilities will be established by a combination of Lag Studies, case level reserves, and analysis of claim inventories.

Item 17. Active Life Reserves

No Active Life Reserves will be held for this coverage.

Item 18. Trend Assumption

The medical trend is 8% per year. The rates in the Rate Manual have a base period of January 2008. All Trend is measured from that point. The Insurance trend is zero.

Item 19. Minimum Required Loss Ratio

The minimum required loss ratio is 50%.

**Atlantic Specialty Insurance Company
Actuarial Memorandum
Group Occupational Accident Policy
Form AH 400AC OA NITACA 04 13 et al.**

Item 20. Anticipated Loss Ratio

The anticipated loss ratio is 50.0%. This loss ratio was computed using interest of 5% and lapses of 12% per year. Because premiums and claims costs do not vary by duration, the assumptions as to lapses and interest are unimportant.

The anticipated loss ratio for each year is 50.0%.

Item 21. Distribution of Business

Distribution by employee volume is shown below.

Age	Male	Female
15-49	50%	15%
50-64	20%	8%
65+	5%	2%

The anticipated average issue age is 37.

Item 22. Contingency and Risk Margin

The expected margin for profit and contingencies is 6.0% of premium.

Item 23. Experience on the Form

This is a new form. There is no past experience. It is unknown how much business will be written in the future. The projected future experience shown below assumes \$100,000 of annual earned premium.

Table of Projected Future Experience

Year	Earned Premium	Incurred Claims	Incurred Loss Ratio
2012	\$100,000	\$50,000	50.0%
2013	100,000	50,000	50.0
2014	100,000	50,000	50.0
2015	100,000	50,000	50.0
2016	100,000	50,000	50.0
2017	100,000	50,000	50.0
2018	100,000	50,000	50.0
2019	100,000	50,000	50.0
2020	100,000	50,000	50.0
2021	100,000	50,000	50.0

Atlantic Specialty Insurance Company
Actuarial Memorandum
Group Occupational Accident Policy
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Item 24. Lifetime Loss Ratio

The lifetime loss ratio is 50.0%.

Item 25. History of Rate Adjustments

This is a new form. There have been no rate adjustments.

Item 26. Number of Policyholders

This is a new form. There are no existing policyholders.

Item 27. Proposed Effective Date

These rates are to be effective coincident with state approval.

Item 28. Actuarial Certification

I certify that to the best of my knowledge and belief, the entire rate filing is in compliance with the applicable laws of the state where filed and with the rules of the Department of Insurance, and complies with Actuarial Standard of Practice No. 8, 'Regulatory Filings for Rates and Financial Projections for Health Plans', and that the benefits are reasonable in relation to the proposed premiums.



Thomas G. Coulter, FSA, MAAA
Consulting Actuary

August 25, 2012